

Odisha Food Processing Policy – 2013 :

- The Government of Odisha in MSME Department has brought out a new dedicated policy for food processing industries called "Odisha Food Processing Policy 2013 vide notification no. 1375-III-MSME-60/2013/ Dt. 15.3.2013. It aims at :
- Value addition & waste reduction of farm produce, maximization of employment opportunities and providing infrastructural, institutional & fiscal supports
- Project clearance under Single Window Mechanism under Odisha Industries (Facilitation) Act, 2004 and Rules, 2005
- Proposes On-line tracking of status of application for various clearances
- Supports establishment of Industrial Area in potential food cluster ; identification of Agri-Export Zones & Setting up of Common Facilities Centres in identified clusters
- Facilitates participation of IDCO in SPV for Mega Food Parks / Sea Food Park
- Encourages skill up-gradation training module in Agriculture Education, Research Institutions & private institutions.
- Utilizing Krishi Sahayak Kendras as Information Centres to maintain database on food processing enterprises, infrastructure providers, export destinations & other knowledge in food processing.

The fiscal incentives provided under this policy are as follows:

| Sl. | Type of fiscal incentive | Quantum of incentive | Remarks |
|------|--------------------------------|--|---|
| i. | Capital Investment Subsidy | For General category - 25% of project cost (excluding cost of land) | Maximum ceiling – Rs. 2.00crore |
| | | For Women, SC & ST and units in KBK districts - 33% of project cost (excluding cost of land) | Maximum ceiling – Rs. 3.00 crore |
| ii. | Interest Subsidy | 5% p.a on working capital loan availed from public sector banks / OSFC for 1 st five years from D.O.P | Maximum ceiling – Rs. 5.00 lakhs p.a for 5 years |
| iii. | Rebate on land on project cost | From 1.00 to 50.00 | Maximum- Ac. 5.00 |
| | | From 50.00 to 100.00 | Maximum- Ac. 10.00 |
| | | Above 100.00 | Maximum- Ac. 30.00 |
| | | For identified potential food cluster or, enterprises being set up in KBK district | Reimbursement of 25% of land rate |
| iv. | Electricity Duty exemption | Exempted for new units | For a maximum 10 years from DOP |
| | | Exempted for expansion / diversification of | For a maximum 10 years from date of commencement of |

| | | existing enterprises | policy. |
|-------|---------------------------------|--|---|
| v. | Quality Certification | Reimbursement upto 50% of cost of certification | HACCP, GMP, ISO 9000, Agmark, FPO, GLP, TQM. |
| vi. | Marketing support | As per para-7 of IPR-2007 | |
| vii. | Entry Tax Exemption | On Plant & Machinery & Balancing equipment. On raw materials, incidental goods & packaging material for 5 years from D.O.P. | |
| viii. | Mega Food Park & Sea Food Parks | Capital Subsidy @ 20% of project cost to SPV | Maximum – Rs. 15.00 crores or, equity participation by GoO |
| | | Cost of preparation of DPR | Rs. 5.00 lakhs for Mega Food Park. If project report is prepared for carbon credit – 50% of consultancy charges with a cap of Rs. 20.00 lakhs |
| | | VAT reimbursement - 100% for 10 years | Max -200% of Fixed Capital Investment |
| | | For Industrial units set up in Mega Food Parks & Sea Food park – CIS of 25% of project cost (excl. land cost) | Maximum limit- Rs. 2.00 cr. for General entrepreneurs and Rs. 3.00 cr. For SC, ST, Women & for KBK districts –Rs. 3.00 cr. Exemption of Entry Tax on P & M & balancing items Exemption of Entry Tax on raw materials for 5 years from DOP |

Major Resources :

| Sl | Item | Qty. | Sl | Item | Qty. |
|--------------------|----------------|---------|---------------------|--------------|---------|
| Agriculture | | | Horticulture | | |
| 1 | Rice | 6828.00 | 1 | Brinjal | 2186.25 |
| 2 | Maize | 299.00 | 2 | Tomato | 1378.39 |
| 3 | Other Pulses | 270.00 | 3 | Cabbage | 1162.24 |
| 4 | Tur | 124.00 | 4 | Sugar Cane | 903.00 |
| 5 | Other oil seed | 100.00 | 5 | Okra | 651.81 |
| 6 | Groundnut | 86.00 | 6 | Mango | 647.93 |
| 7 | Ragi | 47.00 | 7 | Sweet Potato | 412.68 |

| | | | | | | |
|-------------------------|--------------------|---------|----|---------------------|--------------|--------|
| 8 | Gram | 33.00 | 8 | Banana | 372.76 | |
| 9 | Sesamum | 12.00 | 9 | Onion | 318.07 | |
| 10 | Linseed | 12.00 | 10 | Citrus | 247.40 | |
| | | | 11 | Watermelon | 241.24 | |
| | | | 12 | Potato | 201.05 | |
| | | | 13 | Turmeric | 191.02 | |
| Fisheries | | | | 14 | Bottle gourd | 136.43 |
| 1 | Fresh Fish | 221.27 | 15 | Radish | 132.65 | |
| 2 | Meat | 138.00 | 16 | Ginger | 118.00 | |
| 3 | Eggs (in millions) | 2357.10 | 17 | Bitter gourd | 111.87 | |
| | | | 18 | Papaya | 99.90 | |
| | | | 19 | Potato | 76.00 | |
| | | | 20 | Chillies | 65.00 | |
| Animal Resources | | | | 21 | Peas | 52.53 |
| 1 | Milk | 1670.00 | 22 | Beans | 50.90 | |
| 2 | Meat | 138.00 | 23 | Garlic | 35.82 | |
| 3 | Eggs (in millions) | 2357.10 | 24 | Coconut (Lakh nuts) | 3218.50 | |

Existing Large Food processing Industries:

| Sl. No. | Name and Address of the unit | Invest. (Rs. in lakh) | Item of Product |
|---------|---|-----------------------|------------------------------------|
| 1 | Hindustan Aqua Ltd. ,I.E. Kalunga, Rourkela | 2150 | Cocacola, Thumpsup, Fanta & Sprite |
| 2 | Skol Breweries Ltd., Atharabanki, Paradeep, Jagatsinghpur | 1146 | Beer |
| 3 | Cargil India (P) Ltd.,Oil Terminal Road, Atharabanki. Paradeep, Jagatsinghpur | 9146 | Palmoline Oil |
| 4 | Tripti Drinks, I.E.Jagatpur, Cuttack | 3800 | Soft Drinks |
| 5 | Shakti Sugar Ltd., Haripur, Korian, Dhenkanal, Dhenkanal | 5300 | Sugar |
| 6 | Denzong Breweries Pvt. Ltd., 59/A, I.E. Khurdha, Bhubaneswar | 3000 | Beer |
| 7 | Hindustan Cocacola Beverage Pvt. Ltd., I.E. Khurdha, Bhubaneswar | 4867 | Pulp out of Mango Used in Maza |
| 8 | Parle Agro Pvt. Ltd, 1/4 FPP, IE Khurdha | 3544 | Ready to serve beverage |
| 9 | Britannia Industries Ltd., IE, Chatabar | 5100 | Biscuits |

Upcoming Large Food processing Industries

| Sl. No. | Name and Address of the unit | Invest. (Rs. in lakh) | Item of Product |
|---------|--|-----------------------|----------------------------|
| 1 | Reliance Retail Limited, Daleiput, Khurda. | 500.00 | Food processing |
| 2 | NSL Sugars Ltd, Paradeep | 800.00 | Sugar |
| 3 | Seashore Agricultural Promotion Company Pvt. Ltd., Nabarangpur | 158.47 | Maize Processing |
| 4 | Anmol Biscuits Ltd., Khurda | 81.14 | Biscuit Mfg. Unit |
| 5 | BSMV Beverages Pvt. Ltd, Bhatli | 59.60 | AERATED Water (Soft Drink) |
| 6 | Nayaragh Sugar Complex Ltd., Churcunda | 237.97 | Sugar Plant |

Mega Food Park :

1. M/s MITS Mega Food Park Ltd & IDCO

| Sl. | Type of fiscal incentive | Quantum of incentive |
|------|-----------------------------------|----------------------|
| i. | Total Area (in Ac.) | 110.05 |
| ii. | Land acquired (in Ac.) | 50.05 |
| iii. | Project Cost (Rs. in crores) | 80.07 |
| iv. | Amount sanctioned (Rs. in crores) | 5.00 |
| v. | Amount released (Rs. in crores) | 5.00 |
| vi. | Progress made | Under implementation |

2. M/s Huma Coastal Mega Food Park Ltd

| Sl. | Type of fiscal incentive | Quantum of incentive |
|------|-----------------------------------|----------------------|
| i. | Total Area (in Ac.) | 72.00 |
| ii. | Land acquired (in Ac.) | - |
| iii. | Project Cost (Rs. in crores) | 116.00 |
| iv. | Amount sanctioned (Rs. in crores) | - |
| v. | Amount released (Rs. in crores) | - |
| vi. | Progress made | Under implementation |

3. M/s Khurdha Food Park, Mukunda Prasad :

| Sl. | Type of fiscal incentive | Quantum of incentive |
|------|-----------------------------------|--------------------------------------|
| i. | Total Area (in Ac.) | - |
| ii. | Land acquired (in Ac.) | 161.86 |
| iii. | Project Cost (Rs. in crores) | 9.91 |
| iv. | Amount sanctioned (Rs. in crores) | - |
| v. | Amount released (Rs. in crores) | - |
| vi. | Progress made | Ac. 119.37 land allotted to 70 units |

Potential Food Processing Industries :

| Sl | Activities | Product mix |
|-----|--|---|
| a) | Cold chain | Integrated farm level processing / transportation / distribution of Vegetables, Horticulture produces, Milk, Meat, Prawn, Fish & Sea Food |
| b) | Fruit & Vegetables Fresh / Processed | Frozen, washed, cut, packaged fruits & vegetables |
| c) | Breakfast Cereals | Corn flakes, rice flakes, wheat flakes and other formulated breakfast cereal product |
| d) | Spices (Cryo grinding) | All medicinal & Culinary spices |
| e) | Coffee grinding | coffee powder |
| f) | Edible Oil (rice bran) | Edible Oil |
| g) | Solvent Extraction (Peanut Butter & Groundnut oil) | Peanut Butter |
| h) | Frozen French Fries | Frozen french fries, potato wedges |
| i) | Potato Flakes | Potato flakes |
| j) | Cashew processing | Processed cashew and cashew shell |
| k) | Value added Mango | Mango pulp |
| l) | Value added Tomato | tomato paste, puree, etc |
| m) | Bottling Unit | Juices, Ketchup, Squash |
| n) | RTE (Ready to eat) Food | Ready to eat food items such as Curries, Noodles etc |
| o) | RTC (Ready to cook) | RTC Frozen Items such as samosa, parantha, roti etc |
| p) | Poultry processing | Dressed chicken-full and parts ,Boneless parts |
| q) | IQF (Individual Quick Freezing) Plant | Frozen vegetables |
| r) | Feed mill | Starter Feed, Finisher Feed |
| s) | Milk & milk products | Milk |
| t) | Egg Processing | Egg Powder |
| u) | Ancillary unit for food packaging | CFB, bags, & BOPP etc. |
| v) | Pickle unit | Mixed pickle, mango, lemon, chili pickle |
| w) | Maize products & Downstream Industries | Fine Soji and Fine floor |
| x) | Rice Milling | Raw Rice, Husk, Broken Rice, Rice Bran, |
| y) | Value added Mushroom | Mushroom processing |
| z) | Sea food line | Marine fish / prawn / shrimps / lobsters processing & packaging |
| aa) | Value added tamarind | Tamarind concentrate |
| ab) | Confectionary | Bread, biscuit, cake, pastries, etc |

Schemes under National Mission of Food Processing :

The scheme was launched by Ministry of Food Processing, GoI during 2012-13 as a new Centrally Sponsored Scheme during 12th Plan for implementation through states / UTs. The following components of the scheme are being implemented through State Mission Directorate, Odisha.

I. Technology upgradation / Establishment / Modernisation of Food Processing Industries:

- i. Eligible Sector : Fruits & vegetables / Milk / Meat / Poultry / Fish Products / Cereals like Rice, Flour /Pulses/ Oil milling including such other agri-horti sector/ Other consumer food products / Food flavour, colour, oleoresin, spices, coconuts, mushrooms, wines & hops.
- ii. In-eligible Sector: Aerated water, packaged drinking water & soft drinks.
- iii. Pattern of Assistance : 25% of cost of Plant & Machinery and Technical Civil works upto a ceiling of Rs. 50.00 lakhs. 33% with a maximum ceiling of Rs. 75.00 lakhs for ITD project area.

II. Cold Chain, Value addition and Preservation Infrastructure for non-horticultural produce:

- i. Infrastructural Component :
 - a. Minimal Processing Centre at farm level with facilities of weighing, sorting, grading, packing, pre-cooling, cold storage and Individual Quick Freezing (IQF)
 - b. Mobile Cooling Trucks & Reefer Trucks: For transport of non-horticulture produce.
 - c. Distribution hubs with multi product cold storage /Variable chilling/ freezing Chambers, Packing facility, IQF and Blast/ Plate freezing etc.
 - d. Irradiation facility
- ii. Eligible Sectors:
 - (a) Dairy – All milk and milk products, etc.
 - (b) Meat – All meat and meat products etc.
 - (c) Aquaculture and marine products like Prawns, Seafood, Fish, and their processed products etc.
 - (d) Any other non- horticultural food products requiring integrated cold chain.
- iii. Pattern of Assistance :

Grant-in-aid @ 35% of the bank appraised project cost including Interest during Construction (IDC), subject to a maximum of Rs. 5 crores per project. The cost of land and pre-operative expenses will not be eligible for the purpose of calculation of grant-in-aid.

Interest-subsidy: The interest subvention will be for a period of 5 years from the date of completion of the project. Every year the interest subsidy @ 6% will be paid to the Bank/FI directly against the term loan sanctioned by it, subject to a maximum of Rs. 2crores per project or actual interest accrued on term loan, whichever is less.

Renewable Energy based pilot cold chain projects: Grant in aid @ 90% of the bank appraised cost including the cost towards setting up of the solar power plant, subject to a maximum of Rs. 5 crore. There will be no component of Interest subsidy.

III. Human Resource Development:

(i) Creation of infrastructure facilities for running Degree/ Diploma courses in

Food Processing Technology.

- Maximum eligible amount – Rs. 1.00 cr.

(ii) Entrepreneurship Development Programme (EDP).

- 4 weeks EDP Training programme,
- One year follow-up;
- No. of trainees- 25-35 with SC/ST representation
- Maximum eligible amount – Rs. 3.00 lakhs.

(iii) Food Processing Training Centre FPTC).

- Single product Line for one group of processing activity. Maximum assistance of Rs. 6.00 lakhs for fixed capital costs and Rs. 3.00 lakhs for revolving seed capital.
- Multi Product Line for more than one group of processing activity
- Maximum eligible amount – Rs. 15.00 lakhs for fixed capital costs and Rs. 5.00 lakhs for revolving seed capital.

(iv) Training at recognized institutes such as CFTRI / DFRL/ any other reputed State /National level training institutes of GOI/ State Govt.

- Assistance of Rs. 1.0 lakh for one batch of 20 trainees for 10 working days.

IV. Promotional Activities:

- For Seminar / Workshops - Assistance @ 50% upto a maximum of Rs. 4.00 lakhs. No limit if State sponsored.
- Study / Survey / Feasibility Report - Assistance @ 50% upto a maximum of Rs. 4.00 lakhs. No limit if State sponsored.
- Exhibitions / Fairs - Assistance to be decided on merits of the proposal.

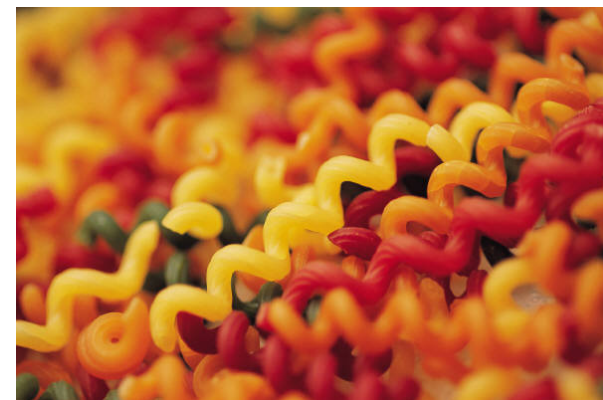
V. Primary Processing Centre / Collection Centre :

- Applicable for both Horticulture & Non-Horticulture Produce like Fruits, Vegetables, Grains & Pulses, Dairy product, meat, Poultry, Fish, etc.
- Minimum land of Ac.1.00 – Ac. 2.00 with processing at Farm level which may include weighing, cleaning, sorting, grading, packing, pre-cooling, controlled atmosphere / modified atmosphere, Cold Storage, Dry Ware Houses and IQF.
- Mobile Pre-cooling trucks and Reefer trucks which may be suitable for transport of perishable agricultural products / horticulture / Dairy / Meat / Fish produce.

Assistance: 50%of the eligible project cost in general areas and 75% in ITDP Area.

VI. **Modernization of Meat Shop** : Assistance of 50% of the cost of Machinery and Technical Civil work subject to a ceiling of Rs. 5.00 Lakhs and 75% in ITDP areas.

VII. **Reefer Vehicles** : For stand alone reefer vehicle and mobile pre-cooling vans for carrying horticulture and non-horticulture products grant-in-aid @50% of the cost of vehicle upto a maximum of Rs. 50.00 lakhs.



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